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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

PURDUE PHARMA L.P., et al.,

Debtors.¹

Chapter 11

Case No. 19-23649 (RDD)

(Jointly Administered)

Re: Docket No. 1126

**FEE EXAMINER'S FINAL REPORT PERTAINING TO APPLICATION
OF STIKEMAN ELLIOTT, LLP AS ORDINARY COURSE PROFESSIONAL
FOR COMPENSATION FOR SERVICES RENDERED IN EXCESS OF THE
TIER I OCP CAP TO THE DEBTORS FOR THE PERIOD
SEPTEMBER 15, 2019 THROUGH NOVEMBER 30, 2019**

David M. Klauder (the “Fee Examiner”), the Fee Examiner for the bankruptcy estates (the “Bankruptcy Estates”) of Purdue Pharma L.P., et al. (the “Debtors”), by and through his undersigned counsel, hereby submits this Final Report (the “Final Report”) pursuant to the Court’s *Order Appointing Fee Examiner and Establishing Related Procedures for the Review of Applications of Retained Professionals* [D.I. 1023] (the “Fee Examiner Order”) in connection

¹The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s registration number in the applicable jurisdiction are as follows: Purdue Pharma L.P. (7484), Purdue Pharma Inc. (7486), Purdue Transdermal Technologies L.P. (1868), Purdue Pharma Manufacturing L.P. (3821), Purdue Pharmaceuticals L.P. (0034), Imbrium Therapeutics L.P. (8810), Adlon Therapeutics L.P. (6745), Greenfield BioVentures L.P. (6150), Seven Seas Hill Corp. (4591), Ophir Green Corp. (4594), Purdue Pharma of Puerto Rico (3925), Avrio Health L.P. (4140), Purdue Pharmaceutical Products L.P. (3092), Purdue Neuroscience Company (4712), Nayatt Cove Lifescience Inc. (7805), Button Land L.P. (7502), Rhodes Associates L.P. (N/A), Paul Land Inc. (7425), Quidnick Land L.P. (7584), Rhodes Pharmaceuticals L.P. (6166), Rhodes Technologies (7143), UDF LP (0495), SVC Pharma LP (5717) and SVC Pharma Inc. (4014). The Debtors’ corporate headquarters is located at One Stamford Forum, 201 Tresser Boulevard, Stamford, CT 06901.

with the *Application of Stikeman Elliott, LLP as Ordinary Course Professional for Compensation for Services Rendered in Excess of The Tier I OCP Cap to the Debtors for the Period from September 15, 2019 through November 30, 2019* (the “Stikeman Elliott Fee Application”). The Stikeman Elliott Fee Application is scheduled for hearing June 23, 2020. In support of this Final Report, the Fee Examiner respectfully represents as follows:

BACKGROUND

1. On September 15, 2019 (the “Petition Date”), the Debtors filed with this Court a voluntary petition for relief under chapter 11 of the Bankruptcy Code.
2. On April 8, 2020, David M. Klauder was appointed as the Fee Examiner for these cases. As noted and set out in detail in the Fee Examiner Order, the Fee Examiner is tasked with reviewing the various fee applications filed by retained professionals in the case and recommending any reductions in fees or expenses sought in the fee applications. The Fee Examiner Order also sets out in detail the process for the Fee Examiner’s review, including issuance of initial reports, a consultation period with retained professionals, and the filing of this Final Report, which contains the Fee Examiner final recommendations to this Court with respect to the Stikeman Elliott Fee Application.
3. The Fee Examiner reviewed the Stikeman Elliott Fee Application for compliance with sections 330 and 331 of the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the Southern District of New York (the “Local Bankruptcy Rules”), the Order Pursuant to Bankruptcy Code Sections 105(a) and 331, Bankruptcy Rule 2016, and Local Bankruptcy Rule 7016-2 Establishing Interim Compensation Procedures [D.I. 529] (the “Interim Compensation Order”), and the Appendix B Guidelines for Reviewing Applications for

Compensation & Reimbursement of Expenses filed under United States Code by Attorneys in Large Chapter 11 Cases (78 Fed. Reg. No. 116, page 36248 (June 17, 2013)) (the “UST Guidelines”). In addition, the Fee Examiner reviewed the Stikeman Elliott Fee Application for general compliance with legal precedent established by the District Courts and Bankruptcy Courts for the Southern District of New York, the Second Circuit Court of Appeals, and other applicable precedent.

4. Following that review, the Fee Examiner issued an Interim Report to Stikeman Elliott regarding the Stikeman Elliott Fee Application. The Interim Report set forth the legal and other standards governing the review, and raised questions as to certain designated time entries or expenses. Stikeman Elliott was invited to respond to the Interim Report, and they did so through email exchange and/or discussions with the Fee Examiner. Resolution was then reached between the Fee Examiner and Stikeman Elliott as described below.

**THE FEE EXAMINER’S RECOMMENDATION AS TO THE
STIKEMAN ELLIOTT INTERIM FEE APPLICATION**

5. Stikeman Elliott is the Canadian Counsel to the Debtors and retained as an Ordinary Course of Business Professional in these cases. In the Stikeman Elliott Fee Application, Stikeman Elliott requests approval of compensation in the amount of \$38,999.00 and reimbursement of expenses in the amount of \$0 for the period of September 15, 2019 through November 30, 2019. Stikeman Elliott exceeded the Tier I OCP Cap of \$450,000, and as a result seeks approval of the excess fees of \$38,999.00

6. The Fee Examiner reviewed the Stikeman Elliott Fee Application to ensure compliance with the applicable rules, orders and guidelines. Based on that review, the Fee Examiner generated an interim report that identified the following general issues with the Stikeman Elliott First Interim Fee Application:

- (a) Vague entries; and
- (b) Administrative time that may either be excessive or non-compensable.

7. In response to the Fee Examiner's interim report, Stikeman Elliott and the Fee Examiner engaged in an exchange to address and resolve the issues raised by the interim report.

8. As a result, Stikeman Elliott and the Fee Examiner have agreed to a recommended reduction of **\$754.00**. After consideration of the agreed-upon reductions, Stikeman is requesting allowance of compensation in the amount of **\$38,245.00**. The Fee Examiner has no objection to Stikeman Elliott's modified request and to this Court's approval of the Stikeman Elliott Fee Application as modified.

CONCLUSION

Accordingly, the Fee Examiner recommends that the compensation and expenses sought by Stikeman in the Stikeman Elliott Fee Application be allowed as modified, and for such other relief that this Court deems just and appropriate.

Respectfully submitted,

Dated: June 22, 2020

/s/ Thomas D. Bielli
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